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STATE RELEASES STUDY HIGHLIGHTING ECONOMIC IMPORTANCE OF MARINE AND COASTAL ECONOMY

According to a study recently released by the Massachusetts Executive Office of Environmental Affairs' Office of Coastal Zone Management (CZM) the coastal economy in Massachusetts generates nearly 37 percent of employment in the state, with payroll totals of more than \$60 billion, and the annual gross regional product of the coastal economy was approximately \$117 billion, the equivalent of 37 percent of the entire Massachusetts Gross State Product (GSP) in 2004.

"This study is an important step in fully understanding the coastal and marine economies of the Commonwealth," said Robert W. Gollidge, Jr., Secretary of Environmental Affairs. "We support efforts to manage ocean resources by balancing economic, environmental, and public interests, and doing it with the best information available."

"With increasing numbers of new project proposals for LNG terminals, wind and wave power facilities, and sand-mining in our ocean waters, we need this type of analysis more than ever before," said Susan Snow-Cotter, CZM Director. "This assessment will help us balance costs and benefits to protect the peoples' interests in ocean waters."

The study, entitled *An Assessment of the Coastal and Marine Economies of Massachusetts*, provides an analysis of the economic impact of Massachusetts' coastal and marine economies in 2004. Conducted by the UMass Donahue Institute in collaboration with researchers from UMass Boston and UMass Dartmouth, the study includes an economic impact analysis, as well as an overview of employment, wages, business activities, and trends within five important sectors of the marine economy: commercial seafood, marine transportation, coastal tourism and recreation, marine science and technology, and marine-related construction and infrastructure. The report estimates that collectively these sectors have a \$14.8 billion economic impact on the Massachusetts economy, with the highest impacts generated from the commercial seafood, coastal tourism and recreation, and marine-related construction and infrastructure sectors.

A survey of business owners within all five marine economy sectors was also conducted in May 2006. The majority of the businesses indicated that they are optimistic that their

revenue will increase during the next 12 months. The businesses that were surveyed reported that they overwhelmingly recruit workers from within their home community and the surrounding region, while drawing their customers primarily from outside their region and from out-of-state.

The study was initiated in response to a recommendation of the Massachusetts Ocean Management Task Force, part of Governor Mitt Romney's Massachusetts Ocean Management Initiative. By providing a baseline of information on the uses and natural and economic resources of marine waters and coastal zone, the state hopes to support fully informed and inclusive decision-making that addresses the pace and complexity of today's opportunities and challenges.

The three-part report can be downloaded from the CZM website at:
<http://www.mass.gov/czm/oceanmanagement/projects/projects.htm>.

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